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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

<b>In re</b>	:	
<b>SEARS HOLDINGS CORPORATION, et al.,</b>	:	<b>Chapter 11</b>
	:	<b>Case No. 18-23538 (RDD)</b>
<b>Debtors.<sup>1</sup></b>	:	<b>(Jointly Administered)</b>

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

**NOTICE OF HEARING ON APPLICATION OF  
DEBTORS FOR AUTHORITY TO RETAIN AND EMPLOY  
WEIL, GOTSHAL & MANGES LLP AS ATTORNEYS FOR THE  
DEBTORS NUNC PRO TUNC TO THE COMMENCEMENT DATE**

**PLEASE TAKE NOTICE** that a hearing on the annexed Application (the “Application”), of Sears Holdings Corporation and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), for entry of an order pursuant to section 327(a) of chapter 11 of title 11 of the United States Code. and Rules 2014(a) and 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), for authority to retain and employ Weil, Gotshal & Manges LLP, all as more fully set forth in the Application, will be held before the Honorable Robert D. Drain, United States Bankruptcy Judge, at the United States Bankruptcy Court for the Southern District of New York, Courtroom 118, 300 Quarropas Street, White Plains, New York, 10601-4140 (the “**Bankruptcy Court**”) on **November 15, 2018 at 10:00 a.m. (Eastern Time)** (the “**Hearing**”), or as soon thereafter as counsel may be heard.

**PLEASE TAKE FURTHER NOTICE** that any responses or objections (the “**Objections**”) to the Application shall be in writing, shall conform to the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules for the Southern District of New York, shall be filed with the Bankruptcy Court (a) by attorneys practicing in the Bankruptcy Court, including attorneys admitted pro hac vice, electronically in accordance with General Order M-399 (which can be found at [www.nysb.uscourts.gov](http://www.nysb.uscourts.gov)), and (b) by all other parties in interest, on a CD-ROM, in text-searchable portable document format (PDF) (with a hard copy delivered directly to Chambers), in accordance with the customary practices of the Bankruptcy Court and General Order M-399, to the extent applicable, and shall be served in accordance with the *Order Implementing Certain Notice and Case Management Procedures*, entered on October 17, 2018

(ECF No. 139), so as to be filed and received no later than **November 2, 2018 at 4:00 p.m. (Eastern Time)** (the “**Objection Deadline**”).

**PLEASE TAKE FURTHER NOTICE that if no Objections are timely filed and served with respect to the Application, the Debtors may, on or after the Objection Deadline, submit to the Bankruptcy Court an order substantially in the form of the proposed order annexed to the Application, which order may be entered without further notice or opportunity to be heard.**

**PLEASE TAKE FURTHER NOTICE that any objecting parties are required to attend the Hearing, and failure to appear may result in relief being granted upon default.**

Dated: October 26, 2018  
New York, New York

/s/ Ray C. Schrock, P.C.  
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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

<b>In re</b>	:	
	:	<b>Chapter 11</b>
<b>SEARS HOLDINGS CORPORATION, et al.,</b>	:	
	:	<b>Case No. 18-23538 (RDD)</b>
<b>Debtors.<sup>1</sup></b>	:	<b>(Jointly Administered)</b>

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

**APPLICATION OF DEBTORS  
FOR AUTHORITY TO RETAIN AND EMPLOY  
WEIL, GOTSHAL & MANGES LLP AS ATTORNEYS FOR THE  
DEBTORS NUNC PRO TUNC TO THE COMMENCEMENT DATE**

TO THE HONORABLE ROBERT D. DRAIN,  
UNITED STATES BANKRUPTCY JUDGE:

Sears Holdings Corporation (“**Sears Holdings**”) and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**” and, together with their non-debtor affiliates, the “**Company**”), respectfully represent as follows in support of this application (the “**Application**”):

**Background**

1. Beginning on October 15, 2018 (the “**Commencement Date**”) and continuing thereafter, each of the Debtors commenced with this Court a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”). The Debtors are authorized to continue to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On October 24, 2018, the United States Trustee for Region 2 appointed an official committee of unsecured creditors (the “**Creditors’ Committee**”). No trustee or examiner has been appointed in these chapter 11 cases.

2. The Debtors’ chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”).

3. Additional information regarding the Debtors’ business, capital structure, and the circumstances leading to the commencement of these chapter 11 cases is set forth in the *Declaration of Robert A. Riecker Pursuant to Rule 1007-2 of Local Bankruptcy Rules for*

*Southern District of New York*, sworn to on October 15, 2018 (the “**Riecker Declaration**”) (ECF No. 3).<sup>2</sup>

**Jurisdiction**

4. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334, and the Amended Standing Order of Reference M-431, dated January 31, 2012 (Preska, C.J.). This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

**Relief Requested**

5. By this Application, the Debtors request pursuant to section 327(a) of the Bankruptcy Code, Bankruptcy Rules 2014(a) and 2016, and Local Bankruptcy Rules for the Southern District of New York (the “**Local Rules**”) 2014-1 and 2016-1, authority to retain and employ Weil, Gotshal & Manges LLP (“**Weil**” or the “**Firm**”) as attorneys for the Debtors, *nunc pro tunc* to the Commencement Date.

6. The Debtors request that the Court approve the retention of Weil as their attorneys to perform the extensive legal services that will be required during these chapter 11 cases in accordance with Weil’s normal hourly rates in effect when services are rendered and Weil’s normal reimbursement policies. In support of this Application, the Debtors submit the declaration of Ray C. Schrock, P.C., a member of Weil, which is attached hereto as **Exhibit B** (the “**Schrock Declaration**”), and the declaration of Mohsin Meghji, Chief Restructuring Officer of the Debtors, which is attached hereto as **Exhibit C** (the “**Meghji Declaration**”)

7. A proposed form of order (the “**Proposed Order**”) approving the Application and the retention and employment of Weil is attached hereto as **Exhibit A**.

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<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Riecker Declaration.

**Weil's Qualifications**

8. Weil has extensive, diversified experience and knowledge, including Weil's recognized expertise in the field of debtors' protections, creditors' rights, and the administration of cases under chapter 11 of the Bankruptcy Code. For example, Weil currently represents or has represented, among others, the following debtors and their affiliates: Claire's Stores, Inc., Fieldwood Energy LLC, TK Holdings Inc., Walter Investment Management Corp., Westinghouse Electric Company LLC, Azure Midstream Partners, LP, Memorial Production LP, CHC Group Ltd., American Gilsonite Company, Basic Energy Services, Inc., Halcón Resources Corp., Breitburn Energy Partners LP, Golfsmith International Holdings, Inc., Fairway Group Holdings Corp., Aéropostale, Inc., Offshore Group Investment Limited, Paragon Offshore PLC, The Great Atlantic & Pacific Tea Company, Chassix, Inc., Endeavour Operating Corporation, SIGA Technologies, Inc., RDA Holdings, Inc., LodgeNet Interactive Corporation, Southern Air Holdings, Inc., Daffy's Inc., AMR Corporation, Lehman Brothers Holdings Inc., General Motors Corporation n/k/a Motors Liquidation Company, General Growth Properties, Inc., Global Crossing Ltd., WorldCom, Inc., Enron Corp., Aleris International, Inc., Washington Mutual, Inc., Pilgrim's Pride Corp., BearingPoint, Inc., SemCrude, L.P., Vertis Holdings, Inc., LandSource Communities Development, LLC, Silicon Graphics, Inc., Atkins Nutritionals, Inc., Footstar, Inc., Parmalat USA Corp., Loral Space & Communications Ltd., Armstrong Worldwide Industries, Adelphia Business Solutions, Inc., APW Ltd., Regal Cinemas, Inc., Sunbeam Corporation, Bethlehem Steel Corporation, Genesis Health Services Corp., and Grand Union Corporation.

9. The Debtors have been informed that Ray C. Schrock, Jacqueline Marcus, Garrett Fail, and Sunny Singh, members of Weil, as well as other members of, counsel to, and associates of Weil, who will be employed in these chapter 11 cases, are members in good

standing of, among others, the Bars of the State of New York and of the United States District Court for the Southern District of New York or are supervised by such attorneys.

10. Based on Weil's understanding of the Debtors' financial and operational structure, as well as Weil's significant experience in the field of restructuring, the Debtors believe that Weil is both highly qualified and uniquely able to represent the Debtors in these chapter 11 cases in an efficient and timely manner.

**Services to Be Provided**

11. The employment of Weil in accordance with its normal hourly rates and disbursement policies in effect from time to time, as the same may be adjusted from time to time, is appropriate and necessary to enable the Debtors to execute their duties as debtors and debtors in possession and to prosecute these chapter 11 cases. Subject to further order of this Court, it is proposed that Weil be employed to render the following professional services:

- a. take all necessary actions to protect and preserve the Debtors' estates, including the prosecution of actions on the Debtors' behalf, the defense of any actions commenced against the Debtors, the negotiation of disputes in which the Debtors are involved and the preparation of objections to claims filed against the Debtors' estates;
- b. prepare on behalf of the Debtors, as debtors in possession, all necessary motions, applications, answers, orders, reports and other papers in connection with the administration of the Debtors' estates;
- c. take all necessary actions in connection with any chapter 11 plan and related disclosure statement and all related documents, and such further actions as may be required in connection with the administration of the Debtors' estates;
- d. take all necessary actions to protect and preserve the value of the Debtors' estates, including advising with respect to the Debtors' non-debtor subsidiaries and all related matters; and
- e. perform all other reasonable or necessary legal services in connection with the prosecution of these chapter 11 cases.

12. In addition to this Application, the Debtors have submitted, or expect to submit shortly, separate applications to retain, among others: (i) Prime Clerk LLC as claims and noticing agent and, separately, as administrative advisor; (ii) Lazard Frères & Co. LLC as investment banker; and (iii) M-III Advisory Partners, LP as financial advisor. Weil, in conjunction with the Debtors' senior management, intends to carefully monitor and coordinate the efforts of all professionals retained by the Debtors in these chapter 11 cases and will delineate their respective duties so as to prevent duplication of services whenever possible.

**Weil's Disinterestedness**

13. To the best of the Debtors' knowledge, the members of, counsel to, and associates of Weil do not have any connection with or any interest adverse to the Debtors, their creditors, or any other party in interest, or their respective attorneys and accountants, except as may be set forth herein and in the Schrock Declaration.

14. Based upon the Schrock Declaration, Weil is a "disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code as modified by section 1107(b) of the Bankruptcy Code. The Debtors have been informed that Weil will conduct an ongoing review of its files to ensure that no disqualifying circumstances arise. If any new relevant facts or relationships are discovered, Weil will supplement its disclosure to the Court accordingly.

**Professional Compensation**

15. Weil is not a creditor of the Debtors' estates. As set forth in the Schrock Declaration, during the ninety-day (90) period prior to the Commencement Date, Weil received payments and advances in the aggregate amount of approximately \$10.15 million for professional services performed or to be performed, including preparation for the commencement and prosecution of these chapter 11 cases. Weil has applied the payments and

advances for professional services performed and expenses incurred up to the time of the commencement of these chapter 11 cases and has reduced the balance of the credit available to the Debtors by the amount of such charges. As of the Commencement Date, Weil had a remaining credit balance of approximately \$3.44 million for future professional services to be performed, and expenses to be incurred, in connection with these chapter 11 cases (the “**Fee Advance**”). Weil intends to apply any remaining Fee Advance to any outstanding amounts relating to the period before the Commencement Date that were not processed through Weil’s billing system as of the Commencement Date. A summary of payments invoiced and received by Weil in the ninety (90) days prior to the Commencement Date is set forth on **Annex 3** annexed to the Schrock Declaration. As of the Commencement Date, the Debtors did not owe Weil any fees for professional services performed or expenses incurred.

16. The Debtors understand and have agreed that Weil hereafter will apply to the Court for allowances of compensation and reimbursement of expenses in accordance with General Order M-412 (Order Establishing Procedures for Monthly Compensation and Reimbursement of Expenses of Professionals, dated December 21, 2010 (Gonzalez, C.J.)), Administrative Order M-447 (Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases, dated January 29, 2013 (Morris, C.J.)), the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any further orders of the Court for all professional services performed and expenses incurred after the Commencement Date.

17. Subject to the foregoing, the Debtors propose to compensate Weil for services rendered at Weil’s customary hourly rates that are in effect from time to time, as set forth in the Schrock Declaration, and to reimburse Weil according to its customary

reimbursement policies. The Debtors respectfully submit that Weil's rates and policies, as set forth in the Schrock Declaration, are reasonable.

**Nunc Pro Tunc Relief Is Warranted**

18. The Debtors believe that employment of Weil effective *nunc pro tunc* to the Commencement Date is warranted under the circumstances of these chapter 11 cases so that Weil may be compensated for its services prior to entry of an order approving Weil's retention. Further, the Debtors believe that no party-in-interest will be prejudiced by the granting of the *nunc pro tunc* employment because Weil has provided, and will continue to provide, valuable services to the Debtors' estate in the interim period.

19. Courts in this jurisdiction routinely approve *nunc pro tunc* employment similar to that requested herein. *See, e.g., In re Tops Holding II Corporation*, No. 18-22279 (RDD) (Bankr. S.D.N.Y. Mar. 22, 2018); *In re Eagle Bulk Shipping Inc.*, No. 14-12303 (SHL) (Bankr. S.D.N.Y. Sept. 19, 2014); *In re MPM Silicones, LLC*, No. 14-22503 (RDD) (Bankr. S.D.N.Y. Apr. 28, 2014); *In re Sbarro LLC*, No. 14-10557 (MG) (Bankr. S.D.N.Y. Apr. 7, 2014). Accordingly, the Debtors submit that the Court should authorize employment of Weil *nunc pro tunc* to the Commencement Date.

**Notice**

20. Notice of this Application will be provided in accordance with the procedures set forth in the *Order Implementing Certain Notice and Case Management Procedures* (ECF No. 139) (the “**Case Management Order**”). The Debtors respectfully submit that no further notice is required.

21. No previous request for the relief sought herein has been made by the Debtors to this or any other court.

WHEREFORE the Debtors respectfully request entry of an order granting the relief requested herein and such other and further relief as is just.

Dated: October 26, 2018  
New York, New York

SEARS HOLDINGS CORPORATION  
*(for itself and on behalf of its affiliates  
as Debtors and Debtors in Possession)*

/s/ Mohsin Meghji  
NAME: Mohsin Meghji  
TITLE: Chief Restructuring Officer

**Exhibit A**

**Proposed Order**

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

In re	:	x
	:	Chapter 11
SEARS HOLDINGS CORPORATION, <i>et al.</i> ,	:	
	:	Case No. 18-23538 (RDD)
	:	
Debtors. <sup>1</sup>	:	(Jointly Administered)
	:	

**ORDER AUTHORIZING THE RETENTION AND EMPLOYMENT OF  
WEIL, GOTSHAL & MANGES LLP AS ATTORNEYS FOR THE  
DEBTORS NUNC PRO TUNC TO THE COMMENCEMENT DATE**

Upon the application (the “**Application**”),<sup>2</sup> of Sears Holdings Corporation and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), pursuant to section 327(a) of title 11 of the United States Code (the “**Bankruptcy Code**”), Rules Rule 2014(a) and 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and Rules 2014-1 and 2016-1 of the Local Bankruptcy Rules for the Southern District of New York (the “**Local Rules**”) for entry of an order

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

<sup>2</sup> Capitalized terms not otherwise herein defined shall have the meanings ascribed to such terms in the Application.

authorizing the employment of Weil, Gotshal & Manges LLP (“**Weil**”) as attorneys for the Debtors, effective as of October 15, 2018 (the “**Commencement Date**”), all as more fully described in the Application; and upon the declaration of Ray C. Schrock, P.C., a member of Weil, attached to the Application as **Exhibit B** (the “**Schrock Declaration**”) and the declaration of Mohsin Meghji, Chief Restructuring Officer of the Debtors, attached to the Application as **Exhibit C** (the “**Meghji Declaration**”); and the Court being satisfied, based on the representations made in the Application and the Schrock Declaration, that Weil is “disinterested” as such term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, and as required under section 327(a) of the Bankruptcy Code, and that Weil represents no interest adverse to the Debtors’ estates with respect to the matters upon which it is to be engaged; and the Court having jurisdiction to decide the Application and the relief requested therein pursuant to 28 U.S.C. §§ 157(a)-(b) and 1334(b) and the Amended Standing Order of Reference M-431, dated January 31, 2012 (Preska, C.J.); and consideration of the Application and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the relief requested in the Application having been provided in accordance with the Case Management Order; such notice having been adequate and appropriate under the circumstances, and it appearing that no other or further notice need be provided; and the Court having held a hearing to consider the relief requested in the Application on November 15, 2018 (the “**Hearing**”); and upon the record of the Hearing, and upon all of the proceedings had before the Court; and the Court having determined that the legal and factual bases set forth in the Application establish just cause for the relief granted herein, and is in the best interests of the

Debtors, their estates, their creditors, and all parties in interest; and after due deliberation and sufficient cause appearing therefor,

**IT IS HEREBY ORDERED THAT:**

1. The Application is granted to the extent set forth herein.
2. The Debtors are authorized to employ and retain Weil as their attorneys in these chapter 11 cases in accordance with Weil's normal hourly rates and disbursement policies, all as contemplated by the Application, *nunc pro tunc* to the Commencement Date.
3. Weil is authorized to render the following professional services to the Debtors:
  - a. take all necessary actions to protect and preserve the Debtors' estates, including the prosecution of actions on the Debtors' behalf, the defense of any actions commenced against the Debtors, the negotiation of disputes in which the Debtors are involved and the preparation of objections to claims filed against the Debtors' estates;
  - b. prepare on behalf of the Debtors, as debtors in possession, all necessary motions, applications, answers, orders, reports and other papers in connection with the administration of the Debtors' estates;
  - c. take all necessary actions in connection with any chapter 11 plan and related disclosure statement and all related documents, and such further actions as may be required in connection with the administration of the Debtors' estates;
  - d. take all necessary actions to protect and preserve the value of the Debtors' estates, including advising with respect to the Debtors' non-debtor subsidiaries and all related matters; and
  - e. perform all other reasonable or necessary legal services in connection with the prosecution of these chapter 11 cases.
4. Weil shall apply for compensation for professional services rendered and reimbursement of expenses incurred in connection with the Debtors' chapter 11 cases in

compliance with sections 330 and 331 of the Bankruptcy Code and applicable provisions of the Bankruptcy Rules, the Local Rules, and any other applicable procedures and orders of the Court.

5. Weil shall provide reasonable notice to the Debtors, the U.S. Trustee, and any statutory committee appointed in these chapter 11 cases of any increase of Weil's hourly rates set forth in the Schrock Declaration.

6. To the extent the Application is inconsistent with this Order, the terms of this Order shall govern.

7. The Debtors are authorized to take all action necessary to effectuate the relief granted in this Order.

8. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and/or enforcement of this Order.

Dated: \_\_\_\_\_, 2018  
White Plains, New York

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THE HONORABLE ROBERT D. DRAIN  
UNITED STATES BANKRUPTCY JUDGE

**Exhibit B**

**Schrock Declaration**

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

<b>In re</b>	:	
	:	<b>Chapter 11</b>
<b>SEARS HOLDINGS CORPORATION, et al.,</b>	:	
	:	<b>Case No. 18-23538 (RDD)</b>
<b>Debtors.<sup>1</sup></b>	:	<b>(Jointly Administered)</b>

**DECLARATION AND DISCLOSURE STATEMENT OF  
RAY C. SCHROCK, P.C. ON BEHALF OF WEIL, GOTSHAL & MANGES LLP**

Ray C. Schrock, P.C. makes this declaration (this “Declaration”) under 28 U.S.C.

§ 1746:

1. I am a member of the firm of Weil, Gotshal & Manges LLP (“Weil” or the “Firm”), an international law firm with principal offices at 767 Fifth Avenue, New York, New York 10153 and regional offices in Washington, D.C.; Houston and Dallas, Texas; Miami, Florida; Boston, Massachusetts; Princeton, New Jersey; Redwood Shores, California; and foreign offices in London, United Kingdom; Warsaw, Poland; Frankfurt and Munich, Germany; Prague, Czech Republic; Paris, France; and Beijing, Hong Kong and Shanghai, China.

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

2. I submit this Declaration in connection with the Application submitted on the date hereof (the “**Application**”), of Sears Holdings Corporation (“**Sears Holdings**”) and certain of its affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), for authority to employ and retain Weil as their attorneys in the above-captioned chapter 11 cases, *nunc pro tunc*, to October 15, 2018 (the “**Commencement Date**”), at its normal hourly rates in effect from time to time and in accordance with its normal reimbursement policies, in compliance with sections 329 and 504 of title 11 of the United States Code (the “**Bankruptcy Code**”), and to provide the disclosure required under Rules 2014(a) and 2016(b) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”). Unless otherwise stated in this Declaration, I have personal knowledge of the facts set forth herein. To the extent any information disclosed herein requires amendment or modification upon Weil’s completion of further review, or as additional information regarding parties in interest in these chapter 11 cases becomes available, a supplemental declaration will be submitted to the Court reflecting such amended, supplemented, or otherwise modified information.

**Weil’s Disclosure Procedures**

3. Weil has in the past represented, currently represents, and may in the future represent, entities that are claimants or interest holders of the Debtors in matters unrelated to the Debtors’ pending chapter 11 cases. Weil, which employs approximately 1,000 attorneys, has a large and diversified legal practice that encompasses the representation of many financial institutions and commercial corporations. Some of those entities are, or may consider themselves to be, creditors or parties in interest in these pending chapter 11 cases or to otherwise have interests in these cases.

4. In preparing this Declaration, Weil used its customary procedures to ensure compliance with the requirements of the Bankruptcy Code, the Bankruptcy Rules, and the Local Bankruptcy Rules for the Southern District of New York (the “**Local Rules**”) regarding the retention of professionals by a debtor under the Bankruptcy Code (the “**Firm Disclosure Procedures**”). Pursuant to the Firm Disclosure Procedures, I performed, or caused to be performed, the following actions to identify the parties relevant to this Declaration and to ascertain Weil’s connection to such parties:

- a. A comprehensive list of the types of entities that may have contacts with the Debtors was developed through discussions with the Weil attorneys who have provided services to the Debtors and in consultation with the advisors to and employees of the Debtors (the “**Retention Checklist**”). A copy of the Retention Checklist is annexed hereto as **Annex 1**.
- b. Weil obtained information responsive to the Retention Checklist through several inquiries of the Debtors, their advisors, and their employees, and a review of documents provided by the Debtors to Weil. Weil then used that information, together with other information identified by Weil, to compile a list of the names of entities that may be parties in interest in these chapter 11 cases (the “**Potential Parties in Interest**”).<sup>2</sup>
- c. Weil maintains a master client database as part of its conflict clearance and billing records. The master client database includes the names of the entities for which any attorney time charges have been billed since the database was first created (the “**Client Database**”). The Client Database includes the name of each current and former client, the names of the parties who are or were related or adverse to such current or former client, and the names of the Weil personnel who are or were responsible for current or former matters for such client. It is the policy of Weil that no new matter may be accepted or opened within the Firm without completing and submitting to those charged with maintaining the conflict clearance system the information necessary to check each such matter for conflicts, including the identity of the prospective client, the name of the matter, adverse parties, and, in some cases, parties related to the client or to an adverse party. Accordingly, the database is updated for every new matter undertaken by Weil. The accuracy of the system is a function of

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<sup>2</sup> Due to its voluminous nature, the schedule of Potential Parties in Interest is not attached here but will be made available upon reasonable written request.

the completeness and accuracy of the information submitted by the attorney opening a new matter.

- d. Weil compared the names of each of the Potential Parties in Interest to client matters in the Client Database for which professional time was recorded during the two years prior to the comparison.<sup>3</sup> Any matches to names in the Client Database generated by the comparison were compiled, together with the names of the respective Weil personnel responsible for the identified client matters (the “**Client Match List**”).
- e. A Weil attorney then reviewed the Client Match List and deleted obvious name coincidences and individuals or entities that were adverse to Weil’s clients in both this matter and the matter referenced on the Client Match List.
- f. Using information in the Client Database concerning entities on the Client Match List, and making general and, if applicable, specific inquiries of Weil personnel, Weil verified that it does not represent and has not represented any entity on the Client Match List in connection with the Debtors or these chapter 11 cases.
- g. In addition, a general inquiry to all Weil personnel (attorneys and staff) was sent by electronic mail to determine whether any such individual or any member of his or her household (i) owns any debt or equity securities of the Debtors; (ii) holds a claim against or interest adverse to the Debtors; (iii) is or was an officer, director, or employee of the Debtors; (iv) is related to or has any connections to Bankruptcy Judges in the Southern District of New York; or (v) is related to or has any connections to anyone working in the Office of the United States Trustee for Region 2 which includes the Office of the United States Trustee for the Southern District of New York (the “**U.S. Trustee**”).

#### **Weil’s Connections with the Debtors**

5. Weil compiled responses to the foregoing inquiries for the purposes of preparing this Declaration. Responses to the inquiry described in Paragraph 5(g) hereof indicate that, as of the Commencement Date, and except as otherwise disclosed herein, no Weil attorneys and/or support staff and/or their family members: (i) own any debt or equity securities of any of

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<sup>3</sup> For purposes of the Firm Disclosure Procedures, Weil considers an entity a “former client” if all matters for such client have been closed, but professional time was recorded within the past two years. Because the Firm Disclosure Procedures only reflect client activity during the past two years, matches to client matters outside that timeframe are not reflected in this Declaration.

the Debtors or their non-Debtor affiliates; (ii) hold a claim against or interest adverse to any of the Debtors; (iii) are or were officers, directors, or employees of any of the Debtors; (iv) are related to or have any connections to Bankruptcy Judges in the Southern District of New York; or (v) are related to or have any connections to anyone working in the Office of the U.S. Trustee.

**A. The Debtors' Operations and Workforce**

6. Certain Weil employees or their family members were previously employed by the Debtors. For example, a Weil associate was a sales associate at Sears, Roebuck & Co. in Dublin, Ohio from May 2003 to May 2005, and a Weil counsel worked as a hardware salesman for a Debtor affiliate in the late 1990s. None of these connections involved employment in senior- or executive-level positions. Additionally, certain Weil attorneys or employees may own appliances or goods purchased from the Debtors or otherwise benefit, directly or indirectly, from warranties with respect to such goods given the scope of the Debtors' operations. Such connections are unrelated to Weil's proposed representation here. I do not believe these connections create a disqualifying conflict of interest but have disclosed these connections out of an abundance of caution.

**B. Board and Committee Connections**

7. Beginning in January 2014, Weil represented certain committees or subcommittees of the board of directors of Sears Holdings Corp. (the "**Board**"), an above-captioned Debtor, including the Related Party Transactions Subcommittee of the Audit Committee of the Board, the Strategic Planning Committee of the Board, the Real Estate Special Committee of the Board, and the Special Committee of the Board. In that capacity, Weil advised in connection with the Debtors' evaluation of certain material transactions between or involving the Debtors and related parties, such as ESL Investments, Inc. or its affiliates, and also in connection with the Debtors' evaluation or disposition of certain parcels of owned real property

and with respect to the evaluation of restructuring and strategic alternatives and contingency planning. Each such committee or subcommittee was charged with recommending a particular transaction to the Board or otherwise only if it determined that doing so was in the best interest of the corporation. For the avoidance of doubt, at no point since January 2014 did Weil represent an interested party or any other party in matters adverse to the Debtors in connection with these matters. I do not believe these connections create a disqualifying conflict of interest, but these connections are disclosed here out of an abundance of caution.

**C. Additional Connections**

8. A retired Weil partner is the spouse of a Bankruptcy Judge for the United States Bankruptcy Court for the Southern District of New York, a Weil associate took a class in law school that was co-taught by the Honorable Martin Glenn, and certain Weil attorneys clerked or otherwise worked with certain Bankruptcy Judges in the Southern District of New York, including Sunny Singh, who clerked for the Honorable Robert D. Drain.

9. A Weil associate owns approximately five (5) shares of stock in Sears Holding Corp. Out of an abundance of caution, this individual has been screened from all matters with respect to Weil's proposed representation of the Debtors. Certain Weil personnel or members of the household of Weil personnel may also unknowingly hold stock or other interests in the Debtors in blind or discretionary accounts.

10. Weil has provided the necessary services to enable the Debtors to commence the instant cases under chapter 11 of the Bankruptcy Code. Weil was primarily responsible for the preparation of the chapter 11 petitions and initial motions and applications relating to these chapter 11 cases and their commencements.

**Weil's Connections with Parties in Interest in  
Matters Unrelated to The Debtors or These Chapter 11 Cases**

11. Either I, or an attorney working under my supervision, reviewed the connections between Weil and the clients identified on the Client Match List and the connections between those entities and the Debtors and determined, in each case, that Weil does not hold or represent an interest that is adverse to the Debtors' estates and that Weil is a "disinterested person" as such term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, for the reasons discussed below.

12. Weil previously has represented, currently represents, and may represent in the future the entities described below (or their affiliates) in matters unrelated to the Debtors' chapter 11 cases. The disclosure list, attached as Annex 2 hereto (the "**Disclosure List**"), is the product of implementing the Firm Disclosure Procedures. An entity is listed as a "**Current Client**" on the Disclosure List if Weil has any open matters for such entity or a known affiliate of such entity and attorney time charges have been recorded on any such matters within the past two (2) years. An entity is listed as a "**Former Client**" in the Disclosure List if Weil represented such entity or a known affiliate of such entity within the past two (2) years based on recorded attorney time charges on a matter, but all matters for such entity or any known affiliate of such entity have been formally closed. Except as described below, Weil has not represented, does not represent, and will not represent any of such entities in matters directly related to the Debtors or these chapter 11 cases.

13. To the best of my knowledge and information, the annual fees for each of the last two years paid to Weil by any entity listed on Annex 2 or its affiliates, did not exceed 1% of the Firm's annual gross revenue, except for American Securities, Providence Equity, Lindsay Goldberg LLC, Brookfield Asset Management, Scripps Networks Interactive, Advent

International, General Electric, and Goldman Sachs. Weil has represented and continues to represent American Securities, Providence Equity, Lindsay Goldberg LLC, Brookfield Asset Management, Scripps Networks Interactive, Advent International, General Electric, and Goldman Sachs, and certain of their respective affiliates in a variety of matters, all of which are unrelated to the Debtors or these chapter 11 cases.

14. In addition to the foregoing, through diligent inquiry, I have ascertained no connection, as such term is used in section 101(14)(C) of the Bankruptcy Code, as modified by section 1107(b), and Bankruptcy Rule 2014(a), between Weil and (i) the U.S. Trustee or any person employed thereby, (ii) any attorneys, accountants, or financial consultants in these chapter 11 cases, or (iii) any investment bankers that represent or may represent the Debtors or claimants or other parties in interest in these chapter 11 cases, except as set forth herein. As part of its practice, Weil appears in cases, proceedings, and transactions involving many different attorneys, accountants, financial consultants, and investment bankers, some of which now or may in the future represent claimants and other parties in interest in these cases. Weil has not represented, and will not represent, any of such parties in relation to the Debtors or their chapter 11 cases. Weil does not have any relationship with any such attorneys, accountants, financial consultants, or investment bankers that would be adverse to the Debtors or their estates.

15. Additionally, Weil has represented, and may currently represent, entities that hold, or may in the future hold, certain of the Debtors' debt in beneficial accounts on behalf of unidentified parties. Because distressed debt is actively traded in the commercial markets, Weil may be unaware of the actual holder of such debt at any given moment. Weil also represents numerous entities in unrelated matters that may buy and/or sell distressed debt of chapter 11 debtors. Moreover, from time to time, Weil is engaged by various entities that buy

and/or sell distressed debt to analyze the capital structure of a distressed company based on a review of publicly available information. The Firm does not undertake such reviews after it has been engaged to represent any such company, including the Debtors, and does not view any public debt review as an adverse representation to a debtor.

16. Despite the efforts described herein to identify and disclose Weil's connections with the parties in interest in these chapter 11 cases, because of the Debtors' numerous relationships, Weil is unable to state with absolute certainty that every client relationship or other connection has been disclosed. Weil will continue to follow the Firm Disclosure Procedures, and if any new material relevant facts or relationships are discovered or arise, Weil will promptly file a supplemental disclosure detailing the same with the Court.

**Weil Is Disinterested**

17. Based on the foregoing, insofar as I have been able to ascertain after diligent inquiry, I believe that Weil does not hold or represent an interest adverse to the Debtors' estates in the matters upon which Weil is to be employed, and that Weil is "disinterested" as such term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code.

**Weil's Rates and Billing Practices**

18. Weil is not a creditor of the Debtors or their estates. During the ninety-day (90) period prior to the Commencement Date, Weil received payments and advances in the aggregate amount of approximately \$10.15 million for professional services performed or to be performed. These payments include approximately \$8.2 million received by Weil on October 2, and October 3, 2018, which was applied to an approximate \$1.1 million invoice submitted on

September 20, 2018 with the balance held as an advance payment retainer (the “Fee Advance”) in accordance with Weil’s customary practices.<sup>4</sup>

19. As of the Commencement Date, Weil had a remaining credit balance of approximately \$3.44 million on the Fee Advance. Although certain expenses and fees may have been incurred, but not yet applied to the Fee Advance, Weil’s total Fee Advance will have exceeded any amounts listed or to be listed on statements describing services rendered and expenses incurred would otherwise be waived by Weil. Weil intends to apply any remaining Fee Advance to any outstanding amounts relating to the period before the Commencement Date that were not processed through Weil’s billing system as of the Commencement Date. A summary of payments invoiced and received by Weil in the ninety (90) days prior to the Commencement Date is set forth on Annex 3 annexed hereto.

20. Weil intends to charge the Debtors for services rendered in these chapter 11 cases at Weil’s normal hourly rates in effect at the time the services are rendered. Weil’s current customary hourly rates, subject to change from time to time, are \$1,075 to \$1,600 for members and counsel, \$560 to \$995 for associates, and \$240 to \$420 for paraprofessionals.<sup>5</sup>

21. Weil also intends to seek reimbursement for expenses incurred in connection with its representation of the Debtors in accordance with Weil’s normal reimbursement policies, subject to any modifications to such policies that Weil may be required to make to comply with the General Order M-412 (Order Establishing Procedures for Monthly Compensation and Reimbursement of Expenses of Professionals, dated December 21, 2010

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<sup>4</sup> Weil has waived any balances due from the Debtors prior to September 20, 2018.

<sup>5</sup> Weil’s rates are subject to periodic adjustment from time to time, and were adjusted accordingly as of October 1, 2018. Prior to October 1, 2018, Weil’s rates for U.S. personnel ranged from \$990 to \$1,500 for members and counsel, \$535 to \$975 for associates, and \$230 to \$385 for paraprofessionals.

(Gonzalez, C.J.)), Administrative Order M-447 (Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases, dated January 29, 2013 (Morris, C.J.)), sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any further order of the Court. Weil's disbursement policies pass through all out-of-pocket expenses at actual cost or an estimated actual cost when the actual cost is difficult to determine. For example, with respect to duplication charges, Weil will charge \$0.10 per page for black and white copies and \$0.80 per page for color copies. Similarly, as it relates to computerized research, Weil believes that it does not make a profit on that service as a whole, although the cost of any particular search is difficult to ascertain. Other reimbursable expenses (whether the service is performed by Weil in house or through a third-party vendor) include, but are not limited to, facsimiles, toll calls, staff overtime, overtime meals, deliveries, court costs, cost of food at meetings, transcript fees, travel, and clerk fees.

22. No promises have been received by Weil, or any member, counsel, or associate thereof, as to payment or compensation in connection with these chapter 11 cases other than in accordance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules. Weil has no agreement with any other entity to share with such entity any compensation received by Weil or by such entity.

23. The Application requests approval of Weil's retention on rates, terms, and conditions consistent with what Weil charges non-chapter 11 debtors, namely, prompt payment of Weil's hourly rates, as adjusted from time to time, and reimbursement of out-of-pocket disbursements at cost or based on formulas that approximate the actual cost where the actual cost is not easily ascertainable.

**Coordination with Other Professionals for the Debtors**

24. Weil is aware that the Debtors have submitted, or intend to submit, separate applications to retain, among others, (i) Prime Clerk LLC as claims and noticing agent and, separately, as administrative advisor; (ii) Lazard Frères & Co. LLC as investment banker; and (iii) M-III Advisory Partners, LP as financial advisor. Weil, in conjunction with the Debtors' senior management, intends to carefully monitor and coordinate the efforts of all professionals retained by the Debtors in these chapter 11 cases and will delineate their respective duties so as to prevent duplication of services whenever possible.

**Attorney Statement Pursuant To U.S. Trustee Guidelines**

25. The following is provided in response to the request for additional information set forth in Paragraph D.1 of the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases*, effective November 1, 2013, established by the Executive Office for the United States Trustees.

**Question:** Did you agree to any variations from, or alternatives to, your standard or customary billing arrangements for this engagement?

**Response:** No.

**Question:** Do any of the professionals included in this engagement vary their rate based on the geographic location of the bankruptcy case?

**Response:** No.

**Question:** If you represented the client in the 12 months prepetition, disclose your billing rates and material financial terms for the prepetition engagement, including any adjustments during the 12 months prepetition. If your billing rates and material financial terms have changed postpetition, explain the difference and the reasons for the difference.

**Response:** Weil's billing rates in effect prior to October 1, 2018 for U.S. personnel are identified above at footnote 5.

**Question:** Has your client approved your prospective budget and staffing plan, and, if so, for what budget period?

**Response:** Weil is developing a prospective budget and staffing plan for these chapter 11 cases. Weil and the Debtors will review such budget following the close of the budget period to determine a budget for the following period.

### **Conclusion**

26. The Application requests approval of the Debtors' retention of Weil at Weil's normal hourly rates in effect at the time the services are rendered and in accordance with Weil's normal reimbursement policies, subject to any modifications to such policies that Weil may be required to make to comply with orders of this Court, the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules. Subject to these terms and conditions, Weil intends to apply, pursuant to section 330 of the Bankruptcy Code, for allowances of compensation for professional services rendered in these chapter 11 cases and for reimbursement of actual and necessary expenses incurred in connection therewith in accordance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules.

27. The foregoing constitutes the statement of Weil pursuant to sections 327(a), 329, and 504 of the Bankruptcy Code and Bankruptcy Rules 2014(a) and 2016(b) which is true and correct to the best of my knowledge, information, and belief.

Executed this 26<sup>th</sup> day of October, 2018

/s/ Ray C. Schrock, P.C.  
Ray C. Schrock, P.C.  
Member, Weil, Gotshal & Manges LLP

**Annex 1**

**Retention Checklist**

- Debtors and Affiliates
- Debtors' Trade Names and Aliases (last 8 years)
- Current and Former Officers and Directors (last 2 years) and Known Affiliations
- Debtors' Greater-than-5% Equity Ownership
- Professionals Retained by the Debtors
- Top 40 Unsecured Creditors
- Unsecured Creditors' Committee Members and Known Professionals
- Landlords
- Lienholders
- Banks
- Secured Lenders
- Secured Notes
- Unsecured Notes
- Indentures
- Vendors
- Supplemental Workforce Agencies
- Employee Benefits
- Customer Programs
- Utilities
- Insurers and Insurance Brokers
- Unions
- Significant Competitors
- Parties to Litigation
- United States Trustee, Judges, and Court Contacts for the Southern District of New York (and Key Staff Members)
- Governmental
- Notice of Appearance Parties
- Other Parties in Interest and Known Professionals

**Annex 2**

**Disclosure List**

Matched Entity	Relationship to Debtors	Relationship to Weil
8x8 Inc. 8X8 Inc.-177742863	Vendors	Current Client
Abbott Laboratories Puerto Rico	Vendors	Affiliate or Subsidiary of Current Client
Acculynk Inc.	Vendors	Affiliate or Subsidiary of Current Client
Active Media Services Inc.  Active Media Services, Inc. d/b/a Active International.	Top 40 Unsecured Creditors  Notice of Appearance Parties	Current Client
Adobe Systems	Vendors	Current Client
ADP RPO  ADP Screening & Selection Services  ADP, Inc.	Vendors	Affiliate or Subsidiary of Current Client
AIG Europe Limited (Lex London) (ACT)  AIG Europe Limited  Illinois National Insurance Company (AIG)  AIG Property Casualty Company	Insurers and Insurance Brokers  Litigation Parties	Affiliate or Subsidiary Current Client
Airwatch -696562  VMWare  EMC	Vendors	Subsidiary of Current Client
Allergan Pharmaceuticals	Vendors	Affiliate or Subsidiary of Current Client
Allianz Global Risks US Insurance Company	Insurers and Insurance Brokers	Former Client
Ally Bank  Ally Commercial Finance LLC	Indentures  Secured Lenders	Affiliate or Subsidiary of Current Client

Matched Entity	Relationship to Debtors	Relationship to Weil
Amazon	Vendors	Current Client
Amazon Com	Current and Former Officers and Directors Known Affiliations	
Amazon.com, Inc.		
AMAZONLOT	Significant Competitors Other Parties in Interest	
American Securities LLC	Other Parties in Interest	Current Client
Angelo Gordon & Co	Other Party of Interest	Current Client
Apollo Hybrid Value Management	Other Parties in Interest  Current and Former Officers and Directors Known Affiliations	Current Client
AppNexus Resources, Inc.	Vendors	Affiliate or Subsidiary of Current Client
ARC International North America	Vendors	Affiliate or Subsidiary of Former Client
ARC		
ARC Fresno		
ARC Mid Cities Association for Retarded Citizanes		
Ares Management Limited	Sears Term Loan FILO  Other Parties in Interest	Current Client
Assurant	Other Parties in Interest	Current Client
Asurion	Vendors	Current Client
Asurion Insurance Services	Current and Former Officers and Directors Known Affiliations	
AT&T	Utilities	Formerly Related to Current Client
AT&T (Ameritech)		
AT&T (Bellsouth)		
AT&T (Pacific Bell)		
AT&T (Southwestern Bell)		
AT&T Mobility		
Atos IT Solutions and Services Inc.	Vendors	Current Client

Matched Entity	Relationship to Debtors	Relationship to Weil
Avaya	Vendors	Current Client
AXA Insurance Company	Insurers and Insurance Brokers	Affiliate or Subsidiary Current Client
Banc of America Securities LLC  U.S. Bank National Association, as Trustee for the registered holders of Banc of America	Indentures  Litigation Parties	Current Client
Bandai America Inc.	Vendors	Affiliate or Subsidiary of Current Client
Bank of America  Bank of America Ach#30  Bank of America Ach#3535  Bank of America Ach#3538  Bank of America Ach#636  Bank of America Ach#654  Bank of America Ach#810  Bank of America Ach#New 852  Bank of America c/o Merrill Lynch  Bank of America Merrill Lynch  Bank of America, N.A.  Merrill Lynch, Pierce, Fenner & Smith Incorporated  Bank of America, N.A.  Bank of America, N.A., as administrative agent under the First Lien Credit Facility  Bank of America, N.A., as Control Co- Collateral Agent	Bank  Debtors' Greater than 5% of Equity Owner  Indentures  Landlord-Related  Lien Holders  Secured Lenders  Secured Notes  Surety Bond  Vendors	Current Client
Benefit Street Partners L.L.C.	Other Parties in Interest	Current Client
Big Ass Fans  Delta T Corporation, dba Big Ass Solutions	Vendors	Current Client
Birch Grove Capital	Sears Term Loan FILO	Current Client

Matched Entity	Relationship to Debtors	Relationship to Weil
Blackhawk Engagement Solutions	Vendors	Affiliate or Subsidiary Current Client
Blackhawk Marketing Services, Inc.	Other Parties in Interest	
Blackhawk Network, Inc.	Landlords	
Blackhawk Network		
Blueberry Hill Management Corp. as agent for BHC Big V LLC BS Big V LLC & BHRA Big V LLC as Tenants in Common c/o The Josephs Group	Landlord	Affiliate or Subsidiary of Current Client
BRE DDR Whittwood CA LLC- Blackstone/BBR JV	Landlords	Affiliate or Subsidiary of Current Client
BRE Retail Residual Owner 1, LLC/645351		
BRE Retail Residual Owner 1, LLC/713547		
BRE PENTAGON RETAIL HOLDINGS A		
BSREP US REIT II LLC	Landlords	Affiliate or Subsidiary of Current Client
C&S Wholesale Grocers, Inc.	Vendors	Current Client
Campbell Sales Company	Vendors	Affiliate or Subsidiary of Current Client
Canon Financial Services, Inc.	Lienholders	Affiliate or Subsidiary of Current Client
Canon Solutions America	Vendors	
Capital IQ Inc.	Vendors	Current Client
Standard & Poor		
Capital One Bank NA	Bank	Current Client
Capital One, NA	Landlord-Related	
Catalina Marketing	Vendors	Current Client
Centerbridge	Other Parties in Interest	Affiliate or Subsidiary of Current Client
Centerview Partners LLC	Other Parties in Interest	Current Client

Matched Entity	Relationship to Debtors	Relationship to Weil
Centurylink	Vendors	Related to Current Client
CenturyLink	Utilities	
Charter Communications	Utilities	Current Client
Chevron (HK) Limited	Vendors	Affiliate or Subsidiary of Current Client
CHUBB - AUTO Chubb Bermuda Insurance Ltd. Chubb Custom Insurance Company Chubb Insurance Hong Kong Limited Federal Insurance Company (Chubb)	Insurers and Insurance Brokers Litigation Parties	Current Client or its Affiliate or Subsidiary
Cigna Corporation Cigna Cigna Group Insurance Cigna Disability Management Solutions	Insurers and Insurance Brokers	Related to Current Client
Cintas Cintas Corporation No. 2 Cintas Sales	Vendors	Related to Current Client
Cisco Systems	Vendors Utilities	Current Client
CIT Commercial Services The CIT Group	Vendors	Current Client
Citibank (South Dakota), N.A.	Secured Lenders	Affiliate or Subsidiary of Current Client
Citibank NA Branch #644 Citibank NA New Ach#427 Citibank New Ach#684 Citibank, N.A. Citibank Citibank, N.A., Hong Kong Branch Citigroup Financial Products Inc.	Landlord-Related Indentures Secured Lenders Secured Notes Revolving Lenders	Current Client

Matched Entity	Relationship to Debtors	Relationship to Weil
Citibank Global Markets Inc.		
CITIC Capital Partners Management Limited	Other Parties in Interest	Affiliate or Subsidiary of Current Client
City of Garland Utility Services	Utilities	Current Client
Clayton, Dubilier & Rice, LLC	Other Parties in Interest	Current Client
Cobbleston Victor NY LLC (Schottenstein)	Landlords	Affiliate or Subsidiary of Current Client
Schottenstein Realty LLC		
Comcast	Vendors  Utilities  Current and Former Officers and Directors (last 2 years) and Know Affiliations	Affiliate or Subsidiary of Current Client
CompuCom Systems	Vendors	Current Client
Concur Technologies	Vendors	Current Client
Copyright Clearance Center Inc.	Vendors	Current Client
CSAA Insurance Exchange	Litigation Parties	Affiliate or Subsidiary of Current Client
Curvature LLC	Vendors	Affiliate or Subsidiary of Current Client
Cushman & Wakefield Inc.	Vendors	Current Client
Darling International	Vendors	Current Client
Dean Foods North Central LLC	Vendors	Affiliate or Subsidiary of Current Client
Delaware Secretary of State  Attorney General for the State of Delaware	Governmental and Regulatory Agencies	Current Client
Dell Financial Services  Dell Financial Services L.L.C  Dell Marketing L.P.	Vendors  Lienholder  Notice of Appearance Parties	Current Client

Matched Entity	Relationship to Debtors	Relationship to Weil
Dell  Airwatch -696562  EMC  RSA Security  Secureworks  Dell Financial Services Ltd. Partnership  Dell Financial Services L.L.C.		
Deloitte  Deloitte & Touche  Deloitte Tax  Deloitte & Touche LLP	Vendors  Top 40 Unsecured Creditors	Related to Current Client
Delta T Corporation, dba Big Ass Solutions	Vendors	Affiliate or Subsidiary of Current Client
Directv  DirecTV	Utilities	Current Client
Document Technologies DTI	Vendors	Current Client
E W Scripps  SCRIPPS Networks LLC	Vendors	Current Client
Ebay Germany  Ebay, Inc.  Ebay	Significant Competitors  Vendors  Current and Former Officers and Directors (last 2 years) and Know Affiliations	Affiliate or Subsidiary of Current Client
Edgewell Personal Care PR Inc.	Vendors	Affiliate or Subsidiary of Current Client
Electrolux North America, Inc.  Electrolux Home Products, Inc.  Electrolux Northamerican Company; et al.  Electrolux Home Care Products	Litigation Parties  Vendors  Other Parties in Interest  Top 40 Unsecured Creditor	Current Client

Matched Entity	Relationship to Debtors	Relationship to Weil
Canada Inc.  Electrolux Home Products Inc., aka/dba Electrolux, Frigidaire  Electrolux Home Care Products, Inc.  Electrolux professional, Inc.  Electrolux USA, Inc.  Electrolux Warranty  Electrolux Warranty Corporation  Electrolux  Electrolux (Frigidaire Company)  Electrolux Home Products, Inc., also known as Frigidaire		
Elite Model Management LLC	Vendors	Current Client
Elizabeth Arden Inc.	Vendors	Current Client
Emily R Lewis Trust-GL / JP Morgan- Dev.  J P Morgan Chase Bank New Ach# JP Morgan Chase JP Morgan Chase Ach#732 JP Morgan Chase Bank Ach JP Morgan Chase Bank NA  JPMCC 2003-ML1 Green Bay Retail JPMCC 2003-ML1 Green Bay Retail LLC  JP Morgan Chase & Co.  The Chase Manhattan Bank, N.A.	Landlord-Related Litigation Parties Secured Lenders Secured Notes	Current Client
ENGIE Resources  Engie Resources, LLC	Utilities	Affiliate or Subsidiary of Current Client
EPI Group	Vendors	Current Client
EPI Printers	Vendors	Affiliate or Subsidiary of Current Client

Matched Entity	Relationship to Debtors	Relationship to Weil
ESPN Enterprises Inc.	Vendors	Affiliate or Subsidiary of Current Client
Facebook	Vendors	Current Client
Fairpoint Fairpoint Communications Inc.	Vendors Utilities	Related to Current Client
Farmers Insurance Exchange	Litigation Parties	Current Client
Federal Insurance Company	Insurers and Insurance Brokers	Current Client
Federal Insurance Company (Chubb)	Litigation Parties	
Fifth Third Bank	Bank Landlord-Related Secured Lenders	Related to Current Client
First Data Technologies First Data Bank, Inc., a subsidiary of the Hearst Corporation	Vendors Litigation Parties	Affiliate or Subsidiary of Current Client
FTI Consulting	Vendors	Current Client
G & K Services	Vendors	Current Client
Gannett Satellite Information Network Gannett	Vendors	Affiliate or Subsidiary of Current Client
Gawker Media LLC	Vendors	Affiliate or Subsidiary of Current Client
General Electric General Electric Company General Electric Capital Corporation	Vendors Other Parties in Interest Banks Secured Lenders	Current Client
General Growth Properties, Inc. General Growth Properties Inc. General Growth Properties – Century Plaza General Growth Properties, Inc. (GGP) General Growth Properties, Inc. (GGP) General Growth Properties – Center	Landlords Other Parties in Interest	Former Client

Matched Entity	Relationship to Debtors	Relationship to Weil
Plaza		
Seritage / GGP JV		
Seritage / GGP		
Seritage / Simon / GGP		
General Growth Properties-Century Plaza	Utilities	Former Client
Genesis Direct	Vendors	Related to Current Client
Getty Images Inc.	Vendors	Current Client
GFI-Craig II Investments LP, c/o Walt Gasser & Associates	Landlord	Affiliate or Subsidiary of Current Client
GFI-Devils Lake Investments LP, C/O Walt Gasser & Associates		
GFI-Glendale Investments LP, c/o Walt Gasser & Associates		
GFI-Mesa Investments LP, c/o Walt Gasser & Associates		
GGP LP LLC d/b/a Silver Lake Mall LLC c/o Brookfield Properties (R) LLC	Landlords	Affiliate or Subsidiary of Current Client
GGP LP LLC d/b/a Silver Lake Mall LLC c/o Brookfield Properties (R) LLC	Landlords	Affiliate or Subsidiary of Current Client
GIV Green Tree Mall Investor LLC, c/o CBL & Associates Mgmt., Inc.	Landlords	Related to Current Client
Glaxosmithkline Consumer Health	Vendors	Affiliate or Subsidiary of Current Client
Goldman Sachs	Other Parties in Interest	Current Client
Goldman Sachs & Co.	Indentures	
Goldman Sachs International Bank	Sears Term Loan FILO	
Goldman Sachs Group, Inc. (The)		
Graham Capital	Other Parties in Interest	Former Client

Matched Entity	Relationship to Debtors	Relationship to Weil
Guggenheim Partners Investment	Sears Term Loan FILO	Affiliate or Subsidiary of Current Client
H.I.G. Capital Management LLC	Other Parties in Interest	Affiliate or Subsidiary of Current Client
Hain Celestial Group Inc.  The Hain Group	Vendors	Current Client
Halifax	Vendors	Affiliate or Subsidiary of Current Client
Halo Halo Branded Solutions Inc.  Halo	Vendors	Affiliate or Subsidiary of Current Client
Hearst	Vendors	Current Client
Hershey Chocolate Company  Hershey Chocolate Company  Hershey Caribe Inc.  Hershey Chocolate USA Hershey	Vendors	Affiliate or Subsidiary of Current Client
Hertz Equipment Rental	Vendors	Affiliate or Subsidiary of Current Client
Hewlett Packard Enterprise  Hewlett-Packard Financial Services	Vendors	Affiliate or Subsidiary of Current Client
Hillman Group	Vendors	Current Client
Hireright Solutions	Vendors	Affiliate or Subsidiary of Current Client
Hitachi Koki USA Ltd.	Vendors	Affiliate or Subsidiary of Current Client
Hoover Inc.	Vendors	Affiliate or Subsidiary of Current Client
Horizon	Utilities	Affiliate or Subsidiary of Current Client
HSBC Bank	Bank Accounts  Secured Lenders	Current Client

Matched Entity	Relationship to Debtors	Relationship to Weil
Hudson Advisors	Landlords	Affiliate or Subsidiary of Current Client
Iberia Foods Corp.	Vendors	Current Client
ICBC	Bank Accounts Secured Lenders	Affiliate or Subsidiary of Current Client
Icon Eyewear Inc.	Vendors	Affiliate or Subsidiary Current Client
Icon Health and Fitness Icon Health and Fitness Inc.	Top 40 Unsecured Creditors Vendors	Current Client
In re: Optical Disk Drive Products Antitrust Litigation, MDL No. 2143 (Hitachi and LG Electronics)	Parties to Litigation	Affiliate or Subsidiary of Current Client
Ingenico	Vendors	Current Client
Intel Americas Inc.	Vendors	Affiliate or Subsidiary of Current Client
Interline Brands	Vendors	Affiliate or Subsidiary of Current Client
International Cruise & Excursions	Vendors	Affiliate or Subsidiary of Current Client
Interval Leisure Group, Inc.	Notice of Appearance Parties	Related to Current Client
Iron Mountain Records Management of Ohio Iron Mountain	Vendors	Affiliate or Subsidiary of Current Client
Israel Discount Bank of NY	Landlord-Related	Affiliate or Subsidiary of Current Client
J.C. Penney Company, Inc.	Significant Competitors	Related to Former Client
Johnson & Johnson Consumer Inc.	Vendors	Affiliate or Subsidiary of Current Client
JPMCC 2003-ML1 Green Bay Retail,	Litigation Parties	Affiliate or Subsidiary of

Matched Entity	Relationship to Debtors	Relationship to Weil
LLC JPMorgan Chase Bank, N.A. JPMorgan Chase	Bank Accounts Lienholder Landlord Related	Current Client
JVC Americas Corp. JVC Kenwood USA Corporation	Vendors	Affiliate or Subsidiary of Current Client
Kele Inc.	Vendors	Current Client
Kelly Services Inc.	Vendors	Affiliate or Subsidiary of Current Client
Keter North America LLC	Vendors	Affiliate or Subsidiary of Current Client
Keurig Green Mountain Inc.	Vendors	Affiliate or Subsidiary of Current Client
KGMB TV Raycom Media Inc.	Vendors	Affiliate or Subsidiary of Current Client
KIK International Inc. KIK Pool Additives Inc.	Vendors	Affiliate or Subsidiary of Current Client
Kitchenaid Inc. Maytag Appliances	Vendors Top 40 Unsecured Creditor	Affiliate or Subsidiary Current Client
Kohlberg Kravis Roberts & Co. L.P. Kohlberg Management VIII, L.L.C.	Other Parties in Interest	Affiliate or Subsidiary of Current Client
Konica Minolta Business Solutions	Vendors	Current Client
Korn Ferry Hay Group Inc.	Vendors	Related to Current Client
Kraft General Foods Inc.	Vendors	Affiliate or Subsidiary of Current Client
KSF Acquisition Corporation	Vendors	Current Client
L. Brands Limited Stores, LLC	Vendors	Current Client
L. Perrigo Company	Vendors	Related to Current Client

Matched Entity	Relationship to Debtors	Relationship to Weil
LB-UBS Commercial Mtg TR CMPT	Landlords	Affiliate or Subsidiary of Current Client
Lease Plan USA	Parties to Litigation	Current Client
LeasePlan	Vendors	
Ledvance	Vendors	Current Client
Ledvance LLC		
Levi Strauss & Co.	Vendors	Current Client
Liberty Media	Other Parties in Interest	Current Client
Liberty Mutual Fire Ins. Co.	Insurers and Insurance Brokers	Affiliate or Subsidiary of Current Client
Liberty Mutual Fire Insurance Company and affiliates		
Liberty Surplus Insurance Corporation		
Liberty Mutual Insurance Company	Insurers and Insurance Brokers	Current Client
Life Insurance Company of North America ("Cigna")	Insurers and Insurance Brokers	Related to Current Client
Lloyd's of London (Beazley)	Insurers and Insurance Brokers	Affiliate or Subsidiary of Current Client
Lloyd's of London (Hiscox)	Bank Accounts	
Lloyd's Syndicates 623/2623		
Lloyd's of London		
Lloyd's of London (ASC, CGM, ACT)		
Lloyd's of London (MKL, ACT)		
Lloyd's of London (MSP, CNP, TAL, BRT, ANV, ACT)		
Underwriters at Lloyds		
Lloyds Bank, PLC		
Lloyds Banking Group plc		
Lloyds Bank Corporate Markets plc		
Loreal Caribe Inc.	Vendors	Affiliate or Subsidiary of

Matched Entity	Relationship to Debtors	Relationship to Weil
Loreal Caribe  Loreal Cosmetic and Fragrance  Maybelline Co.  Laboratories Garnier		Current Client
LSREF3 Spartan (Genesee) LLC/ Lone Star  LSREF Summer REO Trust 2009  LSREF3 Spartan (Genesee) LLC	Landlords	Affiliate or Subsidiary of Current Client
M & T BANK  M & T BANK ACH#577  M & T BANK ACH#660  M&T BANK ACH#749	Landlord-Related  Lienholder  Bank Accounts	Affiliate or Subsidiary of Current Client
Macy's	Significant Competitors  Lienholders	Current Client
Marsh & McLennan Companies, Inc.	KCD IP Lenders  Current and Former Officers and Directors (last 2 years) and Know Affiliations	Current Client
Mastercard International Inc.	Vendors	Current Client
Media General Operations	Vendors	Affiliate or Subsidiary of Current Client
Mercer	Vendors	Affiliate or Subsidiary of Current Client
Merrill Lynch, Pierce, Fenner & Smith Incorporated	Secured Lenders  Bank Accounts	Current Client
MetLife (Metropolitan Life Insurance Company)  MetLife Dental Claims  Metropolitan Property and Casualty Insurance Company	Insurers and Insurance Brokers  Litigation Parties  Employee Benefit	Affiliate or Subsidiary of Current Client
Microsoft  Microsoft Corporation  Microsoft Licensing	Vendors	Former Client

Matched Entity	Relationship to Debtors	Relationship to Weil
Microsoft Online Inc.		
Mid Century Insurance Company	Parties to Litigation	Affiliate or Subsidiary of Current Client
Mike Casey	Vendors	Related to Current Client
Millcreek Realty Associated LT	Landlords	Affiliate or Subsidiary of Current Client
Morgan Stanley Capital I Trust Morgan Stanley Smith Barney	Landlord-Related Employee Benefits Vendors	Affiliate or Subsidiary of Current Client
MSD Capital	Other Parties in Interest	Affiliate or Subsidiary of Current Client
NetApp	Vendors	Current Client
New York Secretary of State Attorney General for the State of New York	Governmental and Regulatory Agencies	Current Client
Nextag Inc.	Vendors	Related to Current Client
North Fork Bank ACH#173 North Fork Bank ACH#3162 North Fork Bank ACH#3200 North Fork Bank ACH#3501 North Fork Bank ACH#3848 North Fork Bank ACH#651	Landlord-Related	Affiliate or Subsidiary of Current Client
Nuance Communications	Vendors	Current Client
Oaktree Capital Management, L.P.	Other Parties in Interest	Current Client
Oaktree Huntington Investment Fund II, L.P. Oaktree Special Situations Fund, L.P.	Other Parties in Interest	Affiliate or Subsidiary of Current Client
Oath (Americas) Inc.	Notice of Appearance Parties Vendor	Affiliate or Subsidiary of Current Client
Och-Ziff Capital Structure Arbitrage	Secured Lenders	Affiliate or Subsidiary of

Matched Entity	Relationship to Debtors	Relationship to Weil
Master Fund Ltd.		Current Client
Och-Ziff Holding Corporation		
OZ Management LP		
Ollie's Bargain Outlet Holdings, Inc.	Significant Competitors	Affiliate or Subsidiary of Current Client
OMERS Private Equity U.S.A. Inc.	Other Parties in Interest	.
Oracle America	Vendors	Affiliate or Subsidiary of Current Client
Pacific Gas & Electric	Utilities	Current Client
Pacific Gas & Electric Co.		
Peak Rock Capital, LLC	Other Parties in Interest	Current Client
Pepsi Americas	Vendors	Affiliate or Subsidiary of Current Client
Pepsi Bottling Ventures LLC		
Pepsi Cola Bottling Co.		
Pepsi Cola Bottling Group		
Pepsi Cola Bottling Co. Guam		
Pepsi Cola Bottling of the Dal		
Pepsi Cola Bottling of Walla Walla		
Pepsi Cola Btlg.		
Pepsi Cola Btlg. Co.		
Pepsi Cola Btlg. Co. of Black Hills		
Pepsi Cola Btlg. Co. of Hickory		
Pepsi Cola Btlg. Co. of Salisbury		
Pepsi Cola Btlg. Co. Puerto Rico		
Pepsi Cola Btlg .Company of NY		

Matched Entity	Relationship to Debtors	Relationship to Weil
Pepsi Cola Company		
Pepsi Cola of Western Nebraska		
Pepsico Caribbean Inc.		
Pepsi-Cola Bottling Group		
Pepsi-Cola General Bottlers		
Pepsi-Cola Metropolitan Bottling		
Frito Lay Inc.		
Quaker Oats Company		
Permira Advisers LLC	Other Parties in Interest	Related to Current Client
PG&E	Utilities	Current Client
Pacific Gas & Electric		
Pacific Gas & Electrinco Co.		
Pilot Corporation of America	Vendors	Current Client
Platinum Equity Advisors, LLC	Other Parties in Interest	Affiliate or Subsidiary of Current Client
Procter & Gamble Commercial LLC	Vendors	Affiliate or Subsidiary Current Client
Procter & Gamble Distributing	Top 40 Unsecured Creditor	
QBE Insurance Corporation	Insurers and Insurance Brokers	Related to Current Client
Qualtrics LLC	Vendors	Affiliate or Subsidiary of Current Client
Qwest	Vendors	Current Client
Qwest Communications International	Utilities	
RBS Business Capital	Secured Lenders	Affiliate or Subsidiary of Current Client
RBS Citizens Bank N.A		
Revlon Consumer Products	Vendors	Current Client
Revlon PR Inc.	Vendors	Affiliate or Subsidiary of Current Client

Matched Entity	Relationship to Debtors	Relationship to Weil
Riverstone USA LLC	Vendors Lienholders	Affiliate or Subsidiary of Current Client
RLI Surety	Surety Bond	Affiliate or Subsidiary Current Client
Rouse Properties Rouse Properties / David Hocker & Assoc. Seritage / Rouse Properties Seritage /Forest City Enterprises (Developer)	Landlords	Affiliate or Subsidiary of Current Client
RSA Security Secureworks Inc.	Vendors	Affiliate or Subsidiary of Current Client
Russell Reynolds Associates	Vendors	Current Client
Samsung Electronics	Vendors	Current Client
Samsung Electronics Canada Samsung USA	Current and Former Officers and Directors (last 2 years) and Know Affiliations	Affiliate or Subsidiary of Current Client
Schindler Elevator	Vendors	Current Client
Scripps Networks LLC	Vendors	Affiliate or Subsidiary of Current Client
Secretary of State – North Carolina (Elaine Marshall)	Governmental and Regulatory Agencies	Current Client
Securitas Security Services Inc.	Vendors	Affiliate or Subsidiary of Current Client
Seritage (PREIT-Developer)	Landlords	Related to Current Client
Seritage / Easement Agreement with Wal-Mart	Landlords	Affiliate or Subsidiary of Current Client
Seritage / Forest City Enterprises	Landlords	Affiliate or Subsidiary of Current Client
Seritage / Jordan Landing LLC	Landlords	Affiliate or Subsidiary of Current Client
Serta Incorporated	Vendors	Affiliate or Subsidiary Current Client

Matched Entity	Relationship to Debtors	Relationship to Weil
Simmons Company		
ServiceNow	Vendors	Current Client
Sherwin Williams Company	Vendors	Current Client
Sherwin-Williams		
The Sherwin-Williams Company		
SHOEBUY.COM	Vendors	Affiliate or Subsidiary of Current Client
Simon Properties	Landlords	Related to Former Client
Simon Property Group		
Simon Property Group LP/7675		
Simon Property Grp, L.P. (OH)		
Simon Property Group, Inc.		
Seritage / Simon / GGP)		
Seritage / Simon JV		
Seritage / Simon WP Glimcher		
Seritage / Simon-Developer		
Seritage / Simon-Turnberry Assoc JV-		
Seritage / Simon-WP GLIMCHER		
Singer Sewing	Vendors	Affiliate or Subsidiary of Current Client
Singer Sewing Company		
Sitel	Vendors	Current Client
Sitel Operating Corporation	Top 40 Unsecured Creditors Notice of Appearance Parties	
SMS Assist LLC	Vendors	.
SMS Marketing Services		Affiliate or Subsidiary of Current Client

Matched Entity	Relationship to Debtors	Relationship to Weil
SMS Systems Maintenance Services Inc.	Vendors	Current Client
Sony Pictures Home Entertainment Sony Puerto Rico Inc.	Vendors	Affiliate or Subsidiary of Current Client
STAG IV Cheektowaga, LLC	Landlords	Affiliate or Subsidiary of Current Client
Standard Bank & Trust Co. Standard Bank Ltd. Mauritius Standard Chartered Bank	Landlord-Related Bank Accounts	Affiliate or Subsidiary Current Client
Staples	Vendors	Current Client
Starwood Starwood - *Star-West JV LLC Starwood - Star-West Chicago Ridge LLC Starwood - Star-West JV LLC Starwood Capital Group Starwood Ceruzzi LLC (Ceruzzi Holdings) Seritage / Starwood Capital Seritage / Starwood Seritage / Starwood-StarW Solano LLC Seritage / Starwood-Star-West JV Seritage / Starwood-Star-West LJ LLC Seritage / Starwood-Westfield's Starwood Retail Partners, LLC	Landlordfpis	Affiliate or Subsidiary of Current Client
Strata Strata Sys. Inc.	Utilities	Current Client
Sun Chronicle United Communications	Vendors	Affiliate or Subsidiary of Current Client

Matched Entity	Relationship to Debtors	Relationship to Weil
SunTrust Bank	Landlord-Related	Affiliate or Subsidiary of Current Client
SunTrust Bank NA		
Suntrust Bank Ach		
Suntrust Bank So Fl Ach#New8		
Survey Sampling International	Vendors	Affiliate or Subsidiary of Current Client
TA Associates Management, L.P.	Other Parties in Interest	Affiliate or Subsidiary of Current Client
Taste of Home Readers Digest S	Vendors	Affiliate or Subsidiary of Current Client
Telecheck Services	Vendors	Current Client
Telefonica	Utilities	Current Client
Tenant Co.	Vendors	Current Client
Tenant Sales and Service Co	Vendors	Affiliate or Subsidiary of Current Client
The CIT Group	Vendors	Current Client
The Home Depot, Inc.	Significant Competitors	Current Client
The Jordan Company, L.P.	Other Parties in Interest	Current Client
The Kroger Co.	Other Parties in Interest	Current Client
The Prudential Insurance Co of America	Landlord-Related	Affiliate or Subsidiary of Current Client
THL	Other Parties in Interest	Affiliate or Subsidiary of Current Client
Tiger Capital Group, LLC	Lienholders	Related to Current Client
Time Warner Cable	Utilities	Current Client
Oceanic Time Warner Cable		
T-Mobile	Vendors	Affiliate or Subsidiary of Current Client
T Mobile	Utilities	
TomTom North America Inc.	Vendors	Affiliate or Subsidiary of

Matched Entity	Relationship to Debtors	Relationship to Weil
		Current Client
Tops Holding LLC	Landlord	Current Client
TowerBrook Capital Partners L.P.	Other Parties in Interest	Affiliate or Subsidiary of Current Client
Towers Watson & Co.	Vendors	Affiliate or Subsidiary Current Client
TPG Opportunities Advisors Inc. TPG Capital L.P. TPG Specialty Lending	Sears Term Loan FILO	Affiliate or Subsidiary of Current Client
Trilantic Capital Partners VI (North America) L.P. Trilantic Capital Partners VI Parallel (North America) L.P.	Other Parties in Interest	Related to Former Client
Trilliant Food and Nutrition L	Vendors	Current Client
Tuesday Morning Corp.	Other Parties in Interest	Current Client
Twentieth Century Fox Home Twentieth Century Fox Home Entertainment	Lienholders Vendors	Affiliate or Subsidiary of Current Client
Twentieth Century Fox Home Entertainment LLC	Notice of Appearance Parties	Affiliate or Subsidiary of Current Client
Twitter Inc.	Vendors	Current Client
UBS AG UBS Inc. UBS AG, Stamford Branch, LLC UBS Securities LLC LB-UBS Commercial Mtg. Tr Cmpt. UBS Securities Inc.	Secured Lenders Other Parties in Interest Landlords Vendor	Current Client
UGI Central Penn Gas	Utilities	Affiliate or Subsidiary of

Matched Entity	Relationship to Debtors	Relationship to Weil
UGI Energy Services, Inc. UGI Penn Natural Gas UGI Utilities - Electric Service UGI Utilities - Gas Service UGI Utilities Inc.		Current Client
UNIFY ATOS IT Solutions and Services, Inc.	Vendors	Affiliate or Subsidiary of Current Client
URS Corporation Southern	Vendors	Current Client
Verisk Crime Analytics Inc.	Vendors	Affiliate or Subsidiary of Current Client
Verizon Verizon Business Verizon Cabs Verizon Wireless MCI Verizon Wireless of the East	Utilities	Affiliate or Subsidiary of Current Client
Verizon Communications	Vendors	Current Client
VF Imagewear Inc. VF Licensed Sports Group LLC VF Outdoor Inc. VF Jeanswear Limited Hackensack VF LLC Timberlan a div. of VF Outdoor VF Licensed Sports Group LLC VF Jeanswear Limited Partnership	Vendors	Affiliate or Subsidiary of Former Client
Vitalsmarts LC-	Vendors	Affiliate or Subsidiary of Current Client

Matched Entity	Relationship to Debtors	Relationship to Weil
Vogue International	Vendors	Affiliate or Subsidiary of Current Client
Voxx International Corporation	Vendors	Current Client
Wachovia Bank NA ACH#590 Wachovia Bank NA ACH#878 Wachovia Bank NA Wachovia Bank National Associ Wachovia Securities	Landlord-Related	Affiliate or Subsidiary of Current Client
Walmart Wal-Mart Center Walmart Inc. Wal-Mart Stores Inc. Wal-Mart Stores, Inc. Wal-Mart Stores	Significant Competitors Landlords Vendors	Affiliate or Subsidiary of Current Client
Wal-Mart, ADP	Parties to Litigation	Affiliate or Subsidiary of Current Client
Warburg Pincus	Other Parties in Interest	Affiliate or Subsidiary of Current Client
Wells Fargo Bank Wells Fargo Bank, National Association Wells Fargo Bank, National Association Wells Fargo Wells Fargo Bank A Wells Fargo Ins Services USA I Wells Fargo Securities, LLC Wells Fargo Bank Wells Fargo ACH#522 Wells Fargo ACH#791 Wells Fargo ACH#875 Wells Fargo ACH#995 Wells Fargo ACH#996	Bank Accounts Debtors' Greater than 5% of Equity Owner Indenture Landlord-Related Notice of Appearance Parties Revolving Lenders Secured Lenders Secured Notes Vendors	Current Client

Matched Entity	Relationship to Debtors	Relationship to Weil
Wells Fargo Bank		
Wells Fargo - ACH 3309		
Wells Fargo Bank 3723		
Wells Fargo Bank ACH		
Wells Fargo Bank ACH#214		
Wells Fargo Bank ACH#283		
Wells Fargo Bank NA		
Wells Fargo Bank NA ACH#3590		
Wells Fargo Bank NA as Trustee		
Wells Fargo Bank NA as Trustee (Developer)		
Wells Fargo Bank NA		
Wells Fargo Bank, N.A., as Trustee for CIII BACMOF-5 Orchard Plaza, c/o Farbman Group IV LLC		
West Street Capital Partners VII, L.P.	Other Parties in Interest	Current Client
Western Union Financial Services, Inc.	Other Parties in Interest	Affiliate or Subsidiary of Current Client
Whirlpool Corporation	Top 40 Unsecured Creditors	Current Client
Whirlpool Kenmore Corporation	Unsecured Creditor Vendors	
WillisTowersWatson	Insurers and Insurance Brokers	Affiliate or Subsidiary
Willis Towers Watson	Vendors Professional	Current Client
Wilmington Trust, N.A.	Secured Lender	
Wilmington Trust, National Association	Bank Accounts	Affiliate or Subsidiary
Wilmington Trust Co	Lien Holders Landlord-Related	Current Client
WIPRO	Vendors	Former Client
Wise Foods Inc.	Vendors	Affiliate or Subsidiary of Current Client
XEROX	Vendors	Affiliate or Subsidiary of Current Client
XL Insurance (Bermuda) Ltd	Insurers and Insurance Brokers	Current Client

Matched Entity	Relationship to Debtors	Relationship to Weil
XL Insurance America, Inc.	Insurers and Insurance Brokers	Affiliate or Subsidiary of Current Client
XL Insurance Company SE		
XL Specialty Insurance Company		
XL Specialty Insurance		
YAHOO	Notice of Appearance Parties Vendors	Current Client
Youngs Market Company of Hawaii	Vendors	Affiliate or Subsidiary of Current Client
Young's Market Company, LLC		
Zero Chaos APC Workforce Solutions	Vendors	Affiliate or Subsidiary of Current Client

**Annex 3**

**Summary of Payments Prior to Commencement Date**

Date	Transaction Type	Fees	Costs	Total Fees & Costs Billed	Payment Date	Payment Received	Fee Advance Balance
9/20/2018	Invoice	\$1,041,219.50	\$17,484.70	\$1,058,704.20			
	Payment; Advance Payment Retainer				10/2/2018	\$1,142,612.86	\$83,908.66
	Advance Payment Retainer				10/3/2018	\$7,011,867.34	\$7,095,776.00
10/12/2018	Invoice; Retainer Application	\$4,044,656.50	\$14,521.14	\$4,059,177.64	10/12/2018	\$4,059,177.64	\$3,036,596.36
	Advance Payment Retainer				10/12/2018	\$2,000,000.00	\$5,036,598.36
10/14/2018	Invoice; Retainer Application	\$1,596,220.00	\$2,089.26	\$1,598,309.26	10/14/18	\$1,598,309.26	\$3,438,289.10

**Exhibit C**

**Meghji Declaration**

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

<b>In re</b>	:	
<b>SEARS HOLDINGS CORPORATION, et al.,</b>	:	<b>Chapter 11</b>
	:	<b>Case No. 18-23538 (RDD)</b>
<b>Debtors.<sup>1</sup></b>	:	<b>(Jointly Administered)</b>
	x	

**DECLARATION OF MOHSIN MEGHJI IN SUPPORT OF  
APPLICATION OF DEBTORS FOR AUTHORITY TO EMPLOY  
AND RETAIN WEIL, GOTSHAL & MANGES LLP AS ATTORNEYS FOR  
THE DEBTORS NUNC PRO TUNC TO THE COMMENCEMENT DATE**

Mohsin Meghji makes this declaration under 28 U.S.C. § 1746:

1. I am the Chief Restructuring Officer of Sears Holding Corporation (“**Sears Holdings**”) and certain of its affiliates. In my current role at Sears Holdings, I am responsible for supervising outside counsel and monitoring and managing legal fees and expenses.

2. On October 15, 2018 (the “**Commencement Date**”), Sears Holdings and certain of its affiliates, as debtors and debtors in possession (collectively, the “**Debtors**”),

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

commenced with this Court a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”). I submit this Declaration in support of the Debtors’ application (the “**Application**”),<sup>2</sup> pursuant to section 327(a) of the Bankruptcy Code, Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and Rules 2014-1 and 2016-1 of the Local Bankruptcy Rules for the Southern District of New York (the “**Local Rules**”), for authority to employ and retain Weil, Gotshal & Manges LLP (“**Weil**” or the “**Firm**”), as attorneys for the Debtors in the above-captioned chapter 11 cases *nunc pro tunc* to the Commencement Date, filed contemporaneously herewith.

3. This Declaration is provided pursuant to Paragraph D.2 of the *United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases*, effective November 1, 2013. Except as otherwise indicated herein, the facts set forth in this Declaration are based upon my personal knowledge, information provided to me by the Debtors’ employees or advisors, or my opinion based upon knowledge and experience as Chief Restructuring Officer of the Debtors. I am authorized to submit this Declaration on behalf of the Debtors.

#### **The Debtors’ Selection of Weil as Counsel**

4. Weil is proposed to serve as counsel to the Debtors. I understand that a comprehensive review process is necessary when selecting and managing chapter 11 counsel to ensure the bankruptcy professionals are subject to the same client-driven market forces, security, and accountability as professionals in nonbankruptcy engagements. The Debtors chose Weil because of, among other factors, the Firm’s extensive expertise in both out-of-court and in-court restructurings.

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<sup>2</sup> Capitalized terms not otherwise herein defined shall have the meanings ascribed to such terms in the Application.

**Cost Supervision**

5. As Chief Restructuring Officer, I was actively involved in negotiating the terms of Weil's engagement on behalf of the Debtors. Weil has confirmed to me that the Firm does not vary its billing rates or the material terms of an engagement depending on whether such engagement is a bankruptcy or a non-bankruptcy engagement. Weil has advised me that its current customary U.S. hourly rates are \$1,075 to \$1,600 for members and counsel, \$560 to \$995 for associates, and \$240 to \$420 for paraprofessionals. It is my understanding that Weil reviews and adjusts its billing rates annually, typically on October 1st of each year. Weil has advised me that it will inform the Debtors of any adjustment to its existing rate structure.

6. I am informed by Weil that its attorneys' billing rates are aligned each year to ensure that its rates are comparable to the billing rates of its peer firms. However, to the extent there is any disparity in such rates, I nevertheless believe that Weil's retention by the Debtors is warranted in these cases for the reasons set forth in the Debtors' Application.

7. Weil and the Debtors are in the process of developing a prospective budget and staffing plan for the period of October 15, 2018 through December 31, 2018. The Debtors recognize that in large chapter 11 cases such as these, it is possible that there may be unforeseen fees and expenses that will need to be addressed by the Debtors and Weil. The Debtors also recognize that it is their responsibility to monitor closely the billing practices of Weil and its other counsel to ensure that fees and expenses paid by the estate remain consistent with the Debtors' expectations, taking into account the exigencies of these chapter 11 cases. To that end, the Debtors will continue to review and monitor the regular invoices submitted by Weil, and, together with Weil, will periodically amend the budgets and staffing plans to reflect developments in these cases as applicable

8. I understand that Weil's fees and expenses will be subject to periodic review on a monthly, interim, and final basis during the pendency of these chapter 11 cases by, among other parties, the Office of the United States Trustee, the Debtors, and any official committee appointed in these chapter 11 cases in accordance with the terms of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any orders of the Court governing the procedures for approval of interim compensation of professionals retained in chapter 11 cases.

9. As Chief Restructuring Officer of the Debtors, I supervise and manage legal fees and expenses incurred by the Debtors' outside counsel. I or someone under my supervision review the Debtors' outside counsel invoices and authorize all legal fees and expenses prior to the payment of such fees to outside counsel. In doing so, I assure that all requested fees and expenses are not unreasonable and correspond with necessary or beneficial services rendered on behalf of the Debtors and their estates. The aforementioned review and approval process does not differ when the Debtors employ outside counsel for non-bankruptcy cases. Moreover, Weil has informed me that the Debtors will be provided with the opportunity to review all invoices and request adjustments to such invoices to the extent that the Debtors determine that such adjustments are necessary and appropriate, which requests will be carefully considered by Weil. I will continue to review the invoices that the Debtors submit and, together with Weil, amend such invoices as necessary.

I declare under penalty of perjury that, to the best of my knowledge and after reasonable inquiry, the foregoing is true and correct to the best of my knowledge, information, and belief.

Executed this 26<sup>th</sup> day of October, 2018

/s/ Mohsin Meghji

Mohsin Meghji  
Chief Restructuring Officer,  
Sears Holdings Corporation